IN THE SPECIFICATION:

Please amend the specification beginning on page 3 at line 9 and ending on page 3 at line 11 as follows:

In the MPEG format, when a P picture or a B picture is processed, since these pictures use an inter-frame motion compensation predictive process, the circuit scale of an encoder/decoder becomes large and the number of a software process steps remarkably increases. Thus, such a process is not suitable for a small, light, and inexpensive recording/reproducing apparatus such as a digital camera. To solve such a problem, it is necessary to generate an MPEG stream composed of only I pictures. However, MPEG1 (ISO-1172-2) standard defines that the minimum frame rated is ~~either 23.97 MHz (PAL) or 29.97 (NTSC)~~ 25 Hz for PAL or 29.97 Hz for NTSC. Thus, it is difficult to form a stream composed of only I pictures without P pictures or B pictures due to the restriction of the frame rate.

Please amend the specification on page 30, lines 16-20 as follows:

As shown in Fig. 5, the first packet contains 10 frames of audio information. Each of the second, third and ~~third~~ fourth packets contains three frames of video information. The last packet contains a padding stream.